PAYMENT PLAN POLICY for the
EAGLE CREEK RANCH OWNERS ASSOCIATION

STATE OF TEXAS	§	
	§	
COUNTY OF WILSON	§	

WHEREAS, all of the property located in the Eagle Creek Ranch Subdivision (the "Subdivision") is subject to those certain Declaration of Covenants, Conditions and Restrictions recorded as Volume 707, Page(s) 347, et. seq; Volume 714, Page(s) 150, et. seq.; Volume 718, Page(s) 722, et. seq.; Volume 728, Page(s) 572, et. seq.; Volume 751, Page(s) 196, et. seq.; Volume 766, Page(s) 187, et. seq.; Volume 772, Page(s) 431, et. seq.; Volume 778, Page(s) 136, et. seq.; Volume 786, Page(s) 685, et. seq, and as amended, in the Official Public Records of Wilson County, Texas, (the "Declarations");

WHEREAS, in accordance with the Declarations, the Eagle Creek Ranch Owners Association, a Texas nonprofit corporation (the "Association") was created to administer the terms and provisions of the Declaration. Unless the Declaration or applicable law expressly provides otherwise, the Association acts through a majority of its board of directors (the "Board");

WHEREAS, the Association is empowered to enforce the restrictive covenants, bylaws, or similar instruments governing the administration or operation of the Association (collectively, the "Dedicatory Instruments");

WHEREAS, Chapter 209 of the Texas Property Code was amended effective January 1, 2012 to add Section 209.0062, as amended effective September 1, 2015, requiring the Association to offer members alternative payment schedules for delinquent regular or special assessments, or any other amounts owed the Association; and

WHEREAS, the Board of the Association desires to hereby establish a Payment Plan Policy consistent with the provisions of Section 209.0062 and to provide clear and definitive guidance to its members.

NOW THEREFORE, the Board has duly adopted the following *Payment Plan Policy* (the "Policy"):

PAYMENT PLAN POLICY

1. Subject to Section 11 & 12 below, Owners are entitled to make partial payments for delinquent amounts owed to the Association under an approved payment plan in compliance with this Policy (a "Payment Plan").

2. Late fees, penalties, and delinquent collection related fees will not be added to the Owner's account during the period the Payment Plan is active. The Association may impose a fee

for administering a Payment Plan. Such fee, if any, will be listed on the Payment Plan form and is subject to change from time to time. Interest will continue to accrue during the period of the plan as allowed under the Declaration. The Association may provide an estimate of the amount of interest which may accrue under any proposed Payment Plan.

3. All Payment Plans must be in writing on a form provided by the Association and signed by the Owner(s) (the "Payment Plan Form").

4. The Payment Plan becomes effective and is designated as "active" upon:

    a. Receipt of a fully completed and signed Payment Plan Form; and
    b. Receipt of the first payment under the Payment Plan; and
    c. Acceptance by the Association as compliant with this Policy.

5. For Regular Assessments that are delinquent, a Payment Plan may be as short as three (3) months and as long as eighteen (18) months based on the guidelines provided below. The durations listed below are provided as guidelines to assist Owners in submitting a Payment Plan.

    a. Total balance up to 2 times the annual assessment...up to 6 months.
    b. Total balance up to 3 times the annual assessment...up to 12 months.
    c. Total balance greater than 3 times the annual assessment...up to 18 months.

    On a case-by-case basis, and upon request of the Owner, the Board may approve an individual Payment Plan exceeding eighteen (18) months in length.

6. Upon request of the Owner, the Association may allow, but shall have no obligation, to approve a Payment Plan for properly levied Special Assessments. The Board shall take into consideration the size of the Special Assessment and the urgency of the need of the Special Assessment.

7. A Payment Plan must include sequential monthly payments. The total of all proposed payments must equal the current balance plus Payment Plan administrative fees, if any, plus the estimated accrued interest.

8. The Owner shall be required to pay all future assessments by the due date in addition to the payments specified in the Payment Plan.

9. If an Owner defaults on the terms of the Payment Plan, the Payment Plan will be voided. The Association will provide written notice to the Owner that the Payment Plan has been voided. It shall be considered a default of the Payment Plan, if the Owner:

    a. fails to return a signed Payment Plan Form with the initial payment;

b. misses a payment due in a calendar month;

c. makes a payment for less than the agreed upon amount; or

d. fails to pay a future assessment by the due date in a Payment Plan which spans additional assessment cycles.

10. If a Payment Plan is voided, the full amount due by the Owner shall immediately become due. The Association will resume the process for collecting amounts owed using all remedies available under the Declaration and applicable law.

11. The Association has no obligation to accept a Payment Plan from any Owner who has defaulted on the terms of a Payment Plan within the previous two (2) years. On a case-by-case basis, however, the Association may agree, but shall have no obligation to do so, to reinstate a voided Payment Plan once during the duration of the Payment Plan period if all missed payments are made up at the time the Owner submits a written request for reinstatement.

12. The Association is not required to make a payment plan available to an owner after the period to cure described by Section 209.0064(b)(3) of the Texas Property Code expires. On a case-by-case basis, however, the Association may agree, but shall have no obligation to do so, to make a payment plan available to an owner after the period described by Section 209.0064(b)(3) of the Texas Property Code expires.

13. The Association is not required to allow an Owner to enter into a Payment Plan more than once in any 12-month period. On a case-by-case basis, however, the Association may agree, but shall have no obligation to do so, to make a Payment Plan available to an Owner more than once in any 12-month period.

14. Miscellaneous.

a. Amendment. This Policy may be revoked or amended from time to time by the Board. This Policy will remain effective until the Association records an amendment to this Policy in the Official Public Records of Wilson County, Texas.

b. Conflict. In the event of any conflict between this Policy and any Dedicatory Instrument of the Association, this Policy controls.

c. Effective Date. This Policy is effective upon recordation in the Official Public Records of Wilson County, Texas.